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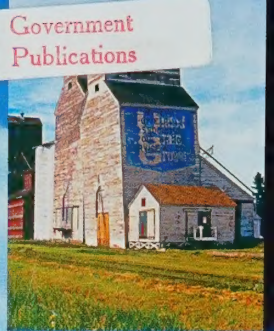
TOURISM

CANADA'S TOURISM MONTHLY

June 2003

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Mexico, a star performing market
Product development under review
Focus groups provide insight



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IN OUR COMING ISSUES

Our summer issue (*July/August*), not surprisingly, will look at experiencing summer in Canada. And who better to talk about in summer than our youth, who seem to epitomize the summer experience. When one thinks of tourism marketing, a lot is focused on the baby boomers, but what about the young people today? They have people to meet and places to go, and they do! And, they spend money... who is marketing to them?

At Issue will look at human resources.

In *September*, *TOURISM* will examine the tasty topic of eating well in Canada – an essential part of any tourism experience. The magazine will also examine in some depth the learning travel industry, which by all accounts is growing in strength and demand.

At Issue will look at infrastructure.

Month	Deadline	Features
October 2003	August 29, 2003	Experience AUTUMN in Canada Discovering Canada through its museums
November 2003	September 26, 2003	CHOICES: new things to do in Canada Revamping Canada's attractions
December 2003	October 24, 2003	Experience WINTER in Canada Canada, a multicultural society

Coming in 2004

We will begin 2004 with our usual CTC corporate snapshot in the January-February issue, followed by an in-depth review of Canada's flagship products from new perspectives. For example, it is becoming very evident that shorter, "getaway" trips are popular – even trendy. How do our products, as they are currently packaged and delivered, fit new demographic realities? Do we need to make adjustments, and perhaps develop some new product? We invite our readers' input as we develop our 2004 editorial lineup.

New CTC publications

- International Travel Forecast 2002 - Fourth Quarter update - #C50185E
- CTC Tourism Intelligence Bulletin - Issue 13

These publications are available through distribution@ctc-cct.ca or at www.canadatourism.com.

Coming Soon

- Risk Management Guide for Tour Operators - C50128E
- IATOS 2003 Outdoor Enthusiast Survey - C50226E



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On the cover: On the road again....
Photo: courtesy of Pierre St. Jacques,
Imagination Photo Services.



In this issue

4 News & Opinion

- Editorial
- News in brief
- Letters to the Editor
- Defining ecotourism can benefit the whole industry
- Moving forward

6 Industry

- Alberta: lean and focused
- Insuring cash flow
- Travelling north increasingly difficult
- Women only, please!
- Targeting achievement
- Experience the learning

10 Markets

- Sears goes Canada
- Coping with crisis
- Sugar, cream and Canada
- Untangle the Web
- Mexico, a star performing market
- Marketing to Mexico
- Focus groups provide insight
- Getting out the message
- 2004 domestic program

13 Product development

- Product development under review
- A house in the trees
- Popular program revitalized
- Diversity in Kootenays

15 Research

- Understanding the opportunity
- Improving product classification
- Research conference
- Hard outdoor adventure
- International travel down

17 Roundup

18 People

- Tourism profile
- Job today... Career tomorrow

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Mission: Canada's tourism industry will deliver world-class cultural and leisure experiences year round, while preserving and sharing Canada's clean, safe and natural environments. The industry will be guided by the values of respect, integrity and empathy.

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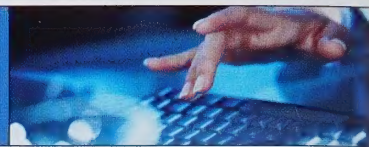
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Editorial

On the road again by Peter Kingsmill

Singer Willie Nelson wrote a song (and a theme for a movie) with the memorable line "Going places that I've never been, I just can't wait to get on the road again!" Well, if market research and anecdotal reports are correct, North American tourists will be humming Willie's song as the theme for this summer, too.

Taking holidays in motorcars, as they used to be called, is far from a new idea, as anyone over 50 knows well enough. The recreational vehicle (RV) crowd will wonder what all the fuss is about, because RV travel has been a very significant summer activity for more than a decade. What is interesting, though, is that more and more people who would normally choose fly-to destinations for their getaways are checking the engine oil and the tires on the family car, and choosing destinations or travel routes within their comfort range for automobile travel.

Given what we hear and see in the public media, convincing Canadians to explore their own backyard this summer shouldn't be too difficult. Border crossing line-ups, reduced air travel connections, and the still-substantial dollar exchange rate, add up to a reasonable justification to stay close to home or head out on the road to visit Aunt Maude.

The challenge will be to attract our U.S. neighbours to mount up and ride north. Happily, recent (April) focus groups in U.S. markets point to the

potential for Canada as a "replacement" destination within easier – and safer – travel reach than, say, Europe or other fly-to holiday destinations.

North Americans as a whole understand Canada to be safe, pristine, and friendly with spectacular scenery. Selling the "rubber-tire" option to Canadians and Americans alike is a matter of ensuring potential visitors understand the range of activities and options available. Our offshore markets also need this information, and it is to be hoped that they will come to visit us in increasing numbers too.

Catering to the aspirations of our clients, from both countries, will be our biggest challenge (it always is!). This year, more than ever as our visitors come in closer contact with Canadians because of the style and pace of rubber-tire vacations, we can build future travel business through providing top-notch, caring, service.

It's been a rough few months – couple of years, actually. Our visitors are like ourselves: we all need to feel cared about, safe, and "at home" – even when we are on the road! 🍁

Peter Kingsmill, Editor-in-Chief

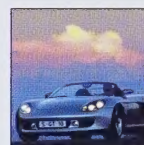


The Canadian Tourism Commission has re-allocated \$6 million to promote Canada in response to the negative tourism impact of SARS and uncertainty in the Middle East. The federal government has added \$14 million in new funds for the same purpose. Twenty percent of the total special funding will be held for use this autumn; the major portion is being spent immediately. www.canadatourism.com

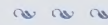


International Travel Survey numbers recorded in March show that overnight travel from the U.S. dropped 18.4 percent in March 2003 compared to March 2002, the second consecutive month of decrease. Both auto (-23.4 percent) and non-auto (-7 percent) modes of travel to Canada were off.

www.canadatourism.com



This summer, 82 percent of Americans are planning to take at least one trip, according to the Travel Industry Association of America. Record numbers of Americans will be staying within the U.S. and driving to their destinations. Research indicates that travellers are looking for flexible, affordable, hassle-free vacations to create their own unique memorable experiences. www.tia.org



Tourism Vancouver will host a leadership summit to bring business leaders together to address the international, national and local challenges that have contributed to uncertainty in the tourism industry. The summit is scheduled for June 16.

Letters to the Editor

While I am new to the tourism game, our ecotourism company has been well received in B.C. by many local tourism associations, and the Canadian Tourism Commission (CTC) surfaced early as a government body to help us reach international visitors.

I e-mailed CTC offices around the world in mid-2002 asking for contacts or resources that could help a small operator develop a market strategy for that country. I'm particularly grateful to the

Dusseldorf office for providing a list of travel agents involved in travel to Canada. But most offices responded with nothing.

I have received your daily news e-mail for over a year now and I am concerned about the lack of stories about small operators and the disproportionate number of news articles about the big guys... Air Canada, Fairmont Hotels, Whistler-Blackcomb, Expedia, etc. A lot of these articles also appear

in mainstream media. These folks also have significant marketing resources. How about a campaign in the near future that focuses on small operators providing niche services for visitors to Canada? 🍁

Steve Noakes
President, GeoQwest Excursions Ltd.

I want to express the Ottawa Art Gallery's interest in the article in the April edition of TOURISM on Visual Arts Enthusiasts. Not only

was the piece very informative, but it also provided us with valuable information in regards to our own marketing strategy.

We welcome any involvement in future initiatives you may be taking to highlight the visual arts, whether online or in the magazine. Many thanks for your instructive and well-written article. 🍁

Suki Lee
Ottawa



At Issue

by Randy Williams

Defining ecotourism can benefit the whole industry

The addition of "ecotourism" to the global tourism lexicon in the past decade or so coincided with the segmenting of the industry into distinct markets, a smart move that assists operators to develop targeted products and helps consumers understand the product offerings. Ecotourism responded to the rapid growth of interest worldwide in nature-based experiences and Canada, with its vast and diverse landscape, unspoiled wilderness areas and abundant wildlife, was well positioned to capitalize on that interest. The problem is, the industry cannot seem to agree on just what the term means. Hundreds of definitions have been developed by almost as many organizations and are currently in use in different countries and jurisdictions. The result, for Canadian tourism operators and their clients, has been confusion and misunderstanding.

Consider, for example, a resort whose construction destroyed a wetland habitat in a previously pristine wilderness location that bills itself as an "ecolodge". Sure, its windows offer a view of unsullied mountains and guests are free to tramp through the mature forests that verge on its golf course—they might even spot a rare bird or two. But the resort demonstrates no commitment to environmental sustainability and does not offer any interpretive or educational activities. Instead of offering an ecotourism experience, it is simply going after typically well-heeled ecotourists in its marketing strategy. Some might consider this nothing more than a savvy business approach. However, such misuse of the ecotourism label risks harming the integrity of Canada's tourism industry as a whole. Visitors who arrive expecting an entirely different kind of experience will not only be disappointed, but resentful at having been misled. Likewise, there is the risk that Canadian tourism operations offering true ecotourism experiences will be devalued in international travel markets.

A nationally accepted definition of "ecotourism" is needed to assist the further development of this growing segment of our industry, and protect the reputation of Canadian tourism generally. It can enable operators to more closely meet the expectations of international visitors, and provide guidance for those wishing to develop ecotourism-based businesses or add an ecotourism component to existing operations. The Tourism Industry Association of Canada has developed an ecotourism definition that amply meets those objectives. We reviewed definitions from organizations in Canada and around the world, and chose one used by Aventure Écotourisme Québec as the basis for extensive consultations among our members. Over the past six months, they shared with us hundreds of comments and suggestions and we revised the definition accordingly. The final product:

Ecotourism is a segment of sustainable tourism that offers experiences that enable visitors to discover natural areas while preserving their integrity, and to understand, through interpretation and education, the natural and cultural sense of place. It fosters respect towards the environment, reflects sustainable business practices, creates socio-economic benefits for communities/regions, and recognizes and respects local and indigenous cultures, traditions and values.

I am pleased to offer this definition for the use of all industry stakeholders, and expect it will be widely adopted so we can cut through the confusion and misunderstanding. In the meantime, I look forward to the feedback of *TOURISM* readers. 🍁

Send your comments to info@tiac-aitc.ca.

Moving forward

Hailed as a grand success, the *World Ecotourism Summit*, held last May in Québec City, was designed to chart a future for ecotourism. Co-hosted by the Canadian Tourism Commission (CTC), Tourisme Québec, the United Nations Environmental Program (UNEP), and the World Tourism Organization (WTO), the summit brought together leaders from industry and government to create an ecotourism model. The summit culminated in the creation of the *Québec Declaration on Ecotourism*, touted as a new tool for the international development of ecotourism.

UNEP is not taking the results from the 2002 summit lightly. It has declared a series of regional stakeholder workshops (Asia/Pacific, North America, Latin America and the Caribbean, Africa, Europe and West Asia) to develop a set of standards to fit within the principles set out by the Québec declaration. Projects are already underway to develop sustainable tourism policies and practices in Seychelles, Costa Rica, and Brazil. In addition:

- UNESCO plans to link conservation of biodiversity and tourism at six World Heritage Sites
- A "Mapping Tourism's Footprint" report is being created to outline the overlaps between tourism development, ecologically sensitive areas, and region of high poverty
- An examination of the sustainability of all-inclusive resorts is underway
- A global accreditation body for sustainable tourism certifiers is being created
- Small enterprises are being educated about environmentally sound technologies for developing tourist destinations. 🍁



Information: www.uneptie.org/tourism

What direction is Canada's tourism industry heading?

We'll draw you a map.

The Tourism Industry Association of Canada is the national voice of the tourism sector and the source of information and development for tourism professionals from coast to coast. If you and your business are part of this vital and thriving industry, join us, let your voice be heard, and benefit from our innovative member programs and events.

Visit online for more information at www.tiac-aitc.ca

  **Tourism Industry Association of Canada**
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Alberta: lean and focused

Tourism in Alberta is an approximately \$4.78 billion dollar industry which accounts for 123,00 jobs province-wide. It generates \$614 million in provincial taxes and \$251 million in municipal taxes annually. So, how does such a juggernaut work?

Well, it all starts with Alberta Economic Development (AED), a department within the provincial government currently overseen by minister Mark Norris. AED is responsible for tourism development, tourism services, market research and the production of visual images for the purposes of marketing.

Enter the Strategic Tourism Marketing Council (STMC). Working alongside the minister on the formation of policy, the STMC is a co-operative organization established to maximize the effectiveness of investments made for the purpose of increasing tourism in Alberta. The STMC consists of 15 industry representatives, 3 government officials and 1 ex-officio.

Travel Alberta, comprised of a small group of marketing professionals, effectively manages the Alberta tourism industry in conjunction with AED. Travel Alberta provides assistance to the STMC and is responsible for implementing and co-ordinating the Strategic Tourism Marketing Plan (STMP).

"We call it a hybrid organization," says Derek Coke-Kerr, managing director of Travel Alberta. "We're very lean, tightly managed and very flexible. Our entire organization can be seated around a table for 50 and we've got an approximately \$5 billion book we're responsible for."

Adding to Travel Alberta's \$22.1 million budget for 2003/2004, \$6.3 million has been leveraged from industry this year bringing the organization's total budget to about \$28.4 million. At a ratio of \$1 for every \$1.70 contributed, Travel Alberta leveraged approximately \$1.3 million for its In-Province

marketing programs from the industry by spending \$763,000. For international and national markets, Travel Alberta contributes \$1 for every \$2.93 industry spends, which meant that \$5 million was leveraged from industry in these markets at a cost of \$1.7 million. "This is how industry votes – with their cheque books," says Coke-Kerr. "These numbers are a pretty strong endorsement of our programs."

Key to Travel Alberta's versatility is its use of non-profit societies as contractors to effectively promote the province both here and abroad. Travel Alberta International (TAI), for example, is a non-profit venture operation of Tourism Calgary and Economic Development Edmonton (EDE) responsible to Travel Alberta for implementing the marketing of Alberta across Canada and around the world. Similar to TAI, Tourism Destination Regions (TDRs), Travel Alberta In-Province and General Sales Agents all report to Travel Alberta, which, in turn, reports to the STMC.

"The TDRs are the front door of Travel Alberta. They're at the front-line of industry within the province," says Coke-Kerr. "We (Travel Alberta) can turn on a dime and that's in large part due to the private sector culture we've brought in through the contractors." Each of Travel Alberta's subsidiary marketing "contractors" is entrusted with the task of promoting the province to a certain market.

Within the boundaries of Alberta's six TDRs there are currently 23 Destination Marketing Organizations (DMOs) – all of which are active in promoting their region locally, nationally and internationally. In many cases, the activities of the DMOs play a key role in the overall marketing plan of their respective TDR. "However, the DMOs are industry consortia," adds Coke-Kerr. "They receive no funding from us and are not accountable to Travel Alberta." ❖



Photo: courtesy of Travel Alberta.

Alberta - Canada's Rocky Mountains playground.



Insuring cash flow

Foreign tour operators usually "pay" hotels with a voucher for each person they book into the hotel. But what happens when the hotel can't redeem these vouchers, or a foreign tour operator can't (or won't) pay?

Jonathan Horwitz, president of the Ottawa-based Capital Hill Hotel and Suites, points out that foreign tour operators work on tight profit margins and there are literally thousands of middle-men and wholesalers offering these services, so everything is about building relationships and trust. "When a major crisis like 9/11 happens an already fragile industry is sent reeling," adds Hume Rogers, the Capital Hill's general manager. "Like thousands of others in the industry, we faced significant losses when one of our largest foreign tour operators went bankrupt as a result of the ensuing economic fallout."

For Horwitz and Rogers, the answer was Export Development Canada's (EDC) *Accounts Receivable Insurance*, which covers up to 90 per cent of their inbound tourism losses if the buyer doesn't pay. This, in turn, allows them to offer more credit to their buyers and turn outstanding accounts receivable (vouchers) into a new source of working capital since banks often view the insurance as a form of security.

"Because we have no chain affiliation and associated large advertising budget, word of mouth is everything," says Horwitz, whose father Phillip established the hotel in 1956. "We have built our reputation as a hotel that offers top-notch service and comfort at a reasonable price and our success is all about friendly service, affordability, great facilities and location, location, location."

Constantly reinvesting profits back into the hotel has been the company strategy, one that in part is made possible by ensuring the availability of working capital through accounts receivable insurance. ❖

From EDC-provided material. Information: www.edc.ca



Storefront

Travelling north increasingly difficult

This month, we are featuring a commentary by a tour operator working in Canada's North. Wendy Grater, operating from Parry Sound, Ontario, wrote the following letter listing airline connections, costs, and policies as an impediment to continuing her business:

As a licensed tour operator offering adventure trips in Nunavut, Northwest Territories, Yukon and Greenland since 1986, I want to comment on the article by Tom Koebel (March 2003) about adventure possibilities in Canada's Arctic. I agree that our North provides excellent and unparalleled opportunities to would-be adventurers.

However, in my opinion, over the last 10 years, there has been a marked deterioration in flights, schedules and "reasonable" access to the North. The cost of an air ticket from southern Canada to a northern community is astronomical, as high as \$2,500 plus taxes per person. Some routes, for example, from Iqaluit to Sondrestrom Fjord, Greenland, have been discontinued. (The route was discontinued in 2000, after 16 years, eliminating the only direct, scheduled route from North America to Greenland.)

The opportunity for travellers to use their "air points" to northern destinations is almost impossible, and very frustrating. As I understand,

only 2.5 percent of an aircraft's seating is eligible as Aeroplan seats, and this translates to .75 of a seat on a 30 seat aircraft. Therefore, using points one cannot get a seat to many small communities in the North. Often my clients, who are business people who travel often, have hundreds of thousands of Aeroplan miles that they would love to be able to use to go on a trip to the Arctic, but cannot. So instead, they choose a holiday to Hawaii, South America or elsewhere.

I am very thankful to be able to access tour group rates to help my clients purchase their air travel. However, over the last couple of years, even these have become more difficult to deal with.

I honestly believe that the lack of affordable transportation is an enormous barrier to attracting tourists to the North. Having over 20 years of experience in operating and marketing adventure tours, I know that this is one of the big stumbling blocks for potential clients who are looking to do an Arctic adventure. It is cheaper to fly to Nepal, China, New Zealand or even around the world. 🍁

Women only, please!

The guys better move over. Next time you "take a weekend with the boys" you may find some unexpected company at your getaway location. Gender specific tours and travel packages are no longer just for men; women-only travel is catching on, and quickly!

With names like *Chicks with Picks*, *Menopausal Tours* or *Call of the Wild*, women-only travel is certainly not afraid to break from the norm. In fact, this is one of the main attractions: GoNomad Tours, one of many tour operators offering women-specific travel options describes the program as "the ultimate girls' night out", or "a sleepover party that includes adventure, good food, and even a massage!"

Gender-specific travel has grown in popularity at an astounding rate. In North America the number of women-only tour operators has risen by 230 percent in the past six years. "Women now are more adventurous," adds Debra Ross of the Women's Travel Network. "There are simply more single women, by choice, out there looking for people to share experiences with."

"This is a growing niche market, especially among seniors, that many operators have not yet started to market," states Lynn Flury of Tourism

Saskatchewan. Tours of this type offer women a way to take the holiday they want, and on their own timeline, because the majority of participants are single women.

Trips being offered run the gamut, from easy shopping trips, vineyard tours in Niagara to kayaking and mountain biking tours. The Adventure Travel Society, a Colorado based industry group, reports that 65 percent of all adventure travel trips are now booked by women.

"Business travel is increasingly common now for women. They are more comfortable travelling alone, and this gives them the opportunity to get exactly what they want," says Flury. The friendly and comforting atmosphere shared among women on these trips is one of the primary reasons for their popularity. "Once a woman takes just one trip, and experiences the warmth, comfort and the strong bonds that are forged, she will usually come again," adds Ross.

The summer of 2003 will see Nova Scotia play host to a Women's Travel media marketplace and familiarization tour. The "fam" is only offered to female members of the media, and should provide a showcase for women's travel in Canada. 🍁

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Targeting achievement

There is truth to the old adage, "strength in numbers" and the Ontario Product Alliance (OPA) is proving it. The program was developed as a means to give smaller operations, and non-traditional operations, like museums, galleries and artisans, a way to thrive in a competitive market. The goal is to create communities of like-minded tourism operators who share their resources creating strong and compelling travel experiences. "The Ontario Product Alliance strives to create new reasons to visit Ontario," states Lori Waldbrook, manager of product development with the Ontario Tourism Marketing Partnership Corporation (OTMPC); "and to build *critical mass* beyond the established markets which will benefit all parts of the province." Consisting primarily of small and medium-sized enterprises, they band together to create an identifiable presence working for the same goal, instead of competing against each other for the same tourist dollar.

Product grouping is not a new idea; the approach taken by the OTMPC is proving to be quite successful, with thirteen new tourism alliances formed thus far. The OPA process breaks the product discussions into

three distinct divisions with an established committee structure: Outdoor; City; and Town and Country committees. This allows for specific plans to be drawn to build and market the new entities, ensuring their success.

Some of the greatest successes of the Ontario process – Spas Ontario, Arts in the Wild, and Paddling Ontario – were among the first alliances developed. A new alliance of culture and historic attractions, "Journeys of Discovery" will be launched in June. "Working with supplier businesses and consumer awareness we create a clear understanding and image of the experience," states Waldbrook. "We then have an identity which can be marketed to the consumer." Industry and OTMPC both commit long-term time and money to the alliance – a minimum of four years, allowing for integration with an overall provincial goal. Always adapting to best suit the needs of the program and industry, the OTMPC recently entered a five-stage development program for a product alliance.

From inception to completion, the program is always analysing and improving upon the process with close ties to industry feedback. "Our



Photo: courtesy of ©Robert Faubert www.holidaymakers.com.

Early evening portage at the Natch Rapids, Petawawa River, Ontario. Paddling Ontario is one of the great successes of the OPA.

program is unique because it works with the alliances from development straight to market" says Waldbrook, "finding the right mix of products, meeting the critical mass of experience and need." 🍁

Information:
lori.waldbrook@mczcr.gov.on.ca

Experience the learning

The Canadian travel industry is starting to see a shift in product development and packaging. The concept of creating a viable new product is no longer solely based on packaging a destination with transportation and accommodation. "Today's traveller is looking for a travel experience with which they can personally connect, one featuring authentic experiences with activities and interactions bringing them closer to the people, culture, events and history of the places they visit," says Cathy Holler, managing director of the Learning and Enrichment Travel Alliance (LETA).

According to Holler, "Many of LETA's members are small tourism businesses, passionate about the experiences they provide the visitor but with limited resources to effectively market themselves in the global

market. Through LETA, our mission is to introduce the world to these experiences." Museums, festivals, and educational institutions are also starting to invest in product development with a focus on learning and enrichment travel. For example, the Stratford Theatre, a renowned theatre company in Ontario, has expanded their offerings to include workshops covering topics from acting to scene painting. They have also created programs that include backstage tours, family activities and theatrical leadership programs for executives.

"Even educational institutions are recognizing the value in positioning themselves to the travel consumer and the trade" says Holler. In P.E.I., the College of Piping and Celtic Performing Arts of Canada now offers instructional programs for the traveller. From drumming to

dancing, visitors can now sample the world of Celtic performing arts anytime of year. Group tours and customized performances are regularly scheduled, with customized packages designed for tour operators and small groups.

From hotels, to educational institutions to festivals and tour operators, Canada has a growing community of operators aligned under the LETA umbrella. 🍁

Information: www.letacanada.com



Canada's Learning & Enrichment Travel Alliance

LETACanada.com is the public Web site of Vancouver-based Learning and Enrichment Travel Alliance, and is Canada's only online travel directory focused on theme-based travel experiences within Canada. The specialized travel directory represents extraordinary Canadian experiences making up the cultural and experiential fabric of Canada.

Visitors can search this user-friendly Web site for travel activities, packages, destinations and experiences by a selection of 18 different learning and enrichment travel themes. Experiences featured include wine and culinary vacations, performing arts workshops, wildlife tracking and observation programs, historical interpretation, festivals, guided garden walks, aboriginal experiences, and behind-the-scenes museum programs, to name just a few. 🍁

UNLIKE ANYTHING ELSE. INCLUDING YESTERDAY.



day one



day two



day three

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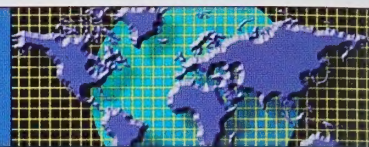
To help you plan your Alberta tour, we have developed a dedicated Travel Trade section to our website. To access tour planning tools including sample itineraries, images, and familiarization tour information visit us at:

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Discover our true nature





Sears goes Canada

The Canadian Tourism Commission (CTC) is joining forces with one of Canada's largest retail chains, Sears Canada, to promote domestic travel among Canadians. The partnership allows the CTC and Sears to maximize their collective powers and create a formidable force in the tourism industry. "Now is an especially great time for Canadians to rediscover and support tourism in their country," said Bryson Forbes, national marketing manager for Sears Travel Services.

The new partnership will see Sears Canada, Sears Travel and the CTC engaging in cross-promotional activities, with much of their efforts committed to Sears' *Go Canada* domestic travel campaign. Using the CTC's product cluster program as a model, *Go Canada* will offer over

120 packages, ranging from city weekends to adventure travel, all of which are available from a single source. Print media, Web site exposure and television campaigns are scheduled as part of the joint marketing initiative.

"We're delighted with this partnership initiative," said Patrick Gedge, CTC senior vice-president for marketing and sales. "The *Go Canada* program will provide Canadians with affordable and comprehensive domestic packages by region or experience. We look forward to this new collaboration and to our joint efforts to ensure that Canada continues to be the preferred travel destination among Canadians." 🍁

Coping with crisis

Canada's tourism industry has matured noticeably since international crises such as 9/11, unstable economies, the Iraq war, and the impact of SARS have sent tourism reeling, according to the Canadian Tourism Commission's (CTC) Patrick Gedge. "The industry has learned rapidly to deal with what it cannot control, focusing instead on making sure businesses have the flexibility and adaptability to both protect and build for the future."

Gedge, vice-president of marketing and sales for the CTC for the CTC, says he has seen a lot of that maturity during the recent round of Roadshow meetings across Canada. "We broke the Roadshow sessions into two parts," he says. "One part looked at the short term and what we are all doing, and the second part of each session was devoted to the long-term view, from 2004 onwards. By structuring the meetings that way we were able to get the immediate events out of the way and start looking ahead at how we strengthen the CTC and the industry for the future."

The Roadshows are held every spring and provide an opportunity for industry to hear directly from CTC staff about marketing and product development activities and opportunities. The cross-Canada series of meetings is also a special opportunity for the CTC itself to learn first-hand about issues facing the industry. "What is common now, is a high level of uncertainty in the industry right across the country," says Gedge. "We are learning that consumers have adopted incredibly late booking patterns, and nobody can forecast business like they were able to do two or three years ago."

Attendance at the meetings has been similar to other years despite the uncertainty. Gedge reports a lot of discussion taking place during the sessions, even more than in the past, as the industry seeks to grapple with crisis and move on to the future. 🍁

Sugar, cream and Canada

A new non-traditional partnership gives the German market something to discuss over coffee. Tchibo Kaffee, a popular coffee-house chain, has joined forces with the Canadian Tourism Commission (CTC) in Germany to market tourism in Canada as one of its "theme weeks". These weeks feature product specials, TV spots, magazine ads and Web site promos. With 11,000 outlets throughout Germany the response to the program has been overwhelming – Tchibo has already agreed to a winter promotion and is looking into options for the future.

"Together with Air Transat, Tourism British Columbia, Tourism Vancouver Island and CRD (a German tour operator specializing in Canada) we have developed a four-season concept to sell adventure packages in Western Canada," says Jens Rosenthal of CTC Germany. "This is another milestone in our history of cross-promotions with non-traditional partners." 🍁

Untangle the Web

by WorldWeb Travel Guide

Is free search engine exposure a thing of the past?

Although all search engines give priority Web site exposure to those willing to pay for it, most of them still scan the Web – at no charge – looking for new sites to index. Thankfully, they recognize that Internet users are interested in seeing more than just paid listings.

But if your Web site is poorly designed, free exposure is out of the question. With so many sites to choose from, search engines have developed very specific criteria for indexing "freebies." With that in mind, here are some tips to make your Web site search-engine friendly:

- Make sure you have up-to-date and accurate content on your site. HTML text should focus on what you do and where you are located.
- Create a provocative and search engine-friendly Web site title and META-description. Search engines are looking for relevant words, while Internet users are looking for something enticing to click on.
- Encourage other Web sites to link to yours. Some search engines place value on the quantity and quality of links to your site. (A link from a popular site is worth more than a link from your friend's homepage.)
- Abandon the notion that your site's hidden META-keywords will solve all of your search engine woes. Most search engines no longer use keywords in their ranking criteria. 🍁

WorldWeb Travel Guide is a travel-planning Web site that offers free business listings, online advertising, and Web site hosting & design services.



Mexico, a star performing market

Photo: courtesy of Casino du Lac-Leamy.



Many Mexicans are keen on visiting casinos.

North America has long been the focus of the world-wide tourism industry, with the U.S. being the key source market in the region. However, attention has been turning to the region's emerging Mexican market, which has recently been generating many new international travellers and demonstrates the potential to evolve into a growth market in the future.

In the last decade, Mexican arrivals to Canada have increased by 250 percent for an annual average of 9.4 percent. A new middle class has emerged, driven mainly by increased disposable income and leisure time as well as a desire to see the world. However, market intelligence on Mexicans' travel patterns is very limited.

The Canadian Tourism Commission, in partnership with the Ontario Tourism Marketing Partnership Corporation, Tourisme Québec, Tourisme Montréal, l'Office du

tourisme et des congrès de la Communauté urbaine de Québec, Tourism British Columbia, Tourism Vancouver and Tourism Whistler, subscribed to a syndicated survey undertaken by Menlo Consulting on Mexicans as international travellers. The following are key highlights at the national level.

Market composition

The composition of the market for Canada is upscale, multilingual, enjoys travel with children, and principally aged 35 to 54 (40 percent), followed by the 18 to 34 group (39 percent).

Travel patterns and trip characteristics

Mexicans tend to travel frequently, with more than half having taken three or more international trips in the past three years. Only 3 in 10 of those travelling beyond the U.S. on their most recent trip were away for more than three weeks. The majority of Mexican travellers

(56.7 percent) spent less than \$3,000CDN per person on their most recent trip; one in seven spent \$6,000 or more.

Market interests and travel motivations

Mexicans travel primarily to see and experience what they cannot do at home. They are partial to trips that offer a range of activities and experiences; a general sightseeing trip touching on the highlights of a destination is very popular. Trips with a strong emphasis on culture and education as well as nature and ecology are also very popular, and they are inclined to participate in a broad range of activities: trying local cuisine, visiting museums and art galleries, attending cultural events and festivals. Many (34.1 percent) are keen on visiting casinos.

Cold winter is not a deterrent, as Mexicans demonstrate strong interest in trying winter activities such as downhill skiing and dog sledding. 42.8 percent of travellers to Canada favour custom packages arrangements, with tailor-made itineraries prepared to their specifications.

Perception of Canada

In general, Mexicans have a very positive perception of Canada. Their best ratings are for Canadian outdoor sports and activities. Canada fares particularly well in terms of hotels, entry requirements, variety of things to do, and the quality of service. Mexicans who have visited Canada have even higher ratings in general; however, they rate Canada less favourably for shopping, historical attractions, and entertainment.

91.1 percent of Mexicans perceive Canada as very safe, and the majority (80 percent) agree that overall, Canada offers good value for money.

Lack of awareness is one important barrier, with 59.3 percent of Mexicans acknowledging that they know very little about travelling in Canada.

Market potential

While 76 percent (2.2 million) expressed interest in visiting Canada in the next two years, the size of the potential market from Mexico City, Monterrey and Guadalajara that is likely to visit Canada in the next two years drops to 22 percent; however that still represents a potential 800,000 visitors.

Competitive positioning

The bulk of Mexican outbound travel in the last three years was within the Americas, with the U.S. (74 percent) at the top followed by France (14.3 percent). Canada (14.1 percent) ranks third.

Within Canada, Quebec (60.6 percent) was the preferred destination followed by Ontario (51.0 percent) and British Columbia (19.7 percent).

Despite 9/11 and stricter visa requirements, the U.S. (76.2 percent) is still the preferred destination in terms of future travel intentions. Canada is trailing closely behind at 75.9 percent followed by France (61.9 percent). 🍁

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Marketing to Mexico

Canada had been experiencing strong growth in visitation from Mexico prior to 9/11 and this trend shows no signs of relenting. "At the end of February 2003, Mexico was reporting a 31 percent increase over last year in terms of number of travellers," states Jorge Morfin, sales and marketing director with the Canadian Tourism Commission in Mexico.

Mexico provides an untapped market for promoting Canadian tourism and an aggressive campaign has just begun. "Mexico is one of the top markets in terms of travellers and spending per traveller," says Morfin.

"Our market share increases every month and we are developing our business relations with all DMOs, tourism offices, suppliers and Mexican tour operators." Marketing efforts are supported by Canadian industry in conjunction with non-traditional partners such as VISA and Molson Sports and Entertainment.

"Seventy-five percent of all Mexican travellers have a strong interest in visiting Canada, but there is a lack of information regarding activities, places and things to do," laments Morfin. Efforts are currently underway to remedy this situation. Recently, Mexico's largest markets

have played host to the "Conozca Canada" (Discover Canada) trade show to educate the tourism industry in Mexico of the travel and tourism opportunities that exist.

Canada has much to offer the Mexican tourist market. Well known for the safety, security and comfort it offers international visitors, Canada is a very attractive travel destination in the tumultuous political situation of 2003. A strong awareness campaign and partnership with industry will ensure continued success. 🍁

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Getting out the message

Never before has the spring Media Marketplace had such a vital role to play. Tourism in Canada is facing a long road to full recovery and great steps were made along that road at the Marketplace. "We decided to address the issues head on," says Susan Iris, managing director of sales, U.S., for the Canadian Tourism Commission (CTC). "We felt it was vital for the success of the upcoming summer tourism season."

This year, due to the outbreak of SARS, the World Health Organization's (WHO) travel advisory against Toronto, and the effects of the recent conflict in Iraq, the CTC felt that aggressive action to answer the concerns of the media were necessary. A press conference included the Honourable Allan Rock, Minister of Industry, Dr. Paul Gully (senior director general of Population and Public Health, Health Canada – via video conference), the Honourable Brian Coburn (Minister of Tourism and Recreation for Ontario – via video conference), and the Honourable Charles Lapointe (chairman

of the CTC board). "Having all those credible resources gave us the opportunity to speak directly with the media," says Iris. "We could speak with one voice, admitting and addressing the issues and carrying on with business; welcoming travellers to Canada."

Media Marketplace is an annual event showcasing the best of Canadian tourism to media outlets in the United States. This year's event hosted over 225 members of the press and 130 exhibitors. In terms of success, the greatest measure is that the media coverage quickly focused on the remedies and solutions, and not the cause. When asked to make predictions for the summer season, Iris adds, "it is my belief that the opportunity is there, but we will have to wait and see what the summer brings. All indications are that the U.S. market wants to travel, stay close to home, and are very value oriented." If these indications ring true, Canada may be in for a busy summer. 🍁

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Focus groups provide insight

The Canadian Tourism Commission (CTC) in the U.S. has been hosting a series of focus groups to poll the market response to the SARS epidemic and how it relates to tourism in Toronto, Ontario and Canada. Focus groups were originally designed to discuss the impact of the Iraq war on U.S. travel to Canada in the short term and to discuss plans for long-term marketing strategies.

The groups were engaged in discussions about SARS, the Iraq war and travel in general, and were then asked to respond to a series of five specific "statements". Their reactions were discussed, gauged, and recorded, with a bias towards Canadian interest. The groups concluded with directed discussion on how travel plans to Canada may be affected by recent events.

Key findings include:

- Marketing for Canada must be more direct. It is well known that Canada is pristine and natural but this is deemed "boring" and marketing must break that attitudinal barrier.
- Toronto and Canada are not linked in regard to SARS. Toronto was a "no-go" but the rest of Canada is still safe for travel. It is expected that travellers will accept the recommendations of the World Health Organization.
- Canada will benefit from a well-executed stimulation plan.
- Canada's position on the war is not currently an issue, but will become one if prompted.
- Opportunity exists for Canada as a "replacement" destination for the summer of 2003, replacing trips overseas with travel to Canada.
- Canada is considered a short-travel destination, not unlike any U.S. city, but less expensive.
- Opinions on Canada as an "exciting vacation destination" range from unclear to "uninteresting."
- War in Iraq was a concern, but is now over. It should not affect travel plans.
- 9/11 will continue to affect travel plans, with renewed concern over terrorism because of the war.
- There is awareness of international negativity towards Americans particularly among younger respondents, but it is not a factor in travel plans, with the exception of travel to France.
- A slow economy has the greatest effect on travel plans, resulting in more short trips and "local travel".

Western highlights:

- Respondents were more inclined to base travel plans on specific activities.
- Respondents are waiting until June or July to finalize their major travel plans.
- Some felt the dollar exchange rate advantage needed to be better explained, particularly for those who may not live close to the border.

Eastern highlights:

- "Free give-aways" are a means of showing sincerity on the part of the tourism industry in Canada.
- Respondents felt that Canada was boring - "so what, why would I want to go there?"
- Some feel that Canada does not advertise enough; they are unaware of what Canada has to offer as a vacation destination. 🍁

The full reports from both sessions are available at www.canadatourism.com.

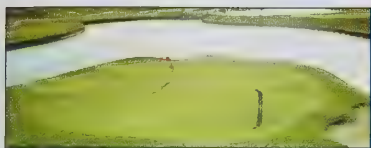
2004 domestic program

The Tourism Marketing Initiatives Program (TMIP), a popular domestic marketing program initiated in 1997, is designed to provide private sector tourism organizations with the opportunity to create marketing partnerships with the Canadian Tourism Commission (CTC). The program's goal is to encourage incremental off-peak inter-provincial travel by Canadians, and to produce and market attractive Canadian travel packages with value-added components and a strong call to action.

Over the years, many industry consortia that have developed partnerships with the CTC were successful in increasing their sales during off-peak periods. Recently, consortiums such as Tourism Regina and the Avalon Convention & Visitors Bureau have successfully developed business in slow producing months.

For the 2004 TMIP, the closing date for receiving proposals is September 2, 2003. Marketing activities must be implemented within the 2004 calendar year. 🍁

Information: www.canadatourism.com/tmip



Product development under review

Changes are coming to tourism product development as it is managed by the Canadian Tourism Commission (CTC). The product development committee is undertaking an in-depth review of the work of the committee and the program components, how they are delivered, and their impact on the industry.

"Through industry consultation a number of areas have been identified that we need to re-work," says Don Monsour, chair of the Product Development Committee. "The three key variables are market demand, return on investment, and (economic) sustainability. The first thing we are doing is checking all the research to see what our markets are saying about demand: what are the products that will be in demand and important to our customers next year, and three years from now?"

Task force members are in agreement that product development is the cornerstone of the marketing

cycle, and they see a need for stronger integration between research, product development, marketing, and sales. There is a sense that the product development committee, given a mandate seven years ago to "influence the quality and supply of tourism products available in Canada," has given increasing strength to the sub-committees to do their valuable work without the benefit of the new research necessary to identify key products in current and future demand.

"We want to develop products that will service well into the future," says Tom Penney, vice-president, Product Development and Planning. "If we find the research we have done is not sufficient to tell us what we need to know, then we will go into the market and do special research to learn what are the top ten products the markets are looking for."

At the outset, the product development committee established

five product clusters, around which it has based its development activities. The task force feels it would be valuable to establish whether, and in what context, these are still valid. "Now it's time to get some hard product from each of these areas, and others, and get them into the marketplace," Monsour adds.

When the research results have identified demand, Penney wants to charge the CTC product specialists with identifying product in Canada that can be used to respond to the market. Then the product development committee can facilitate development initiatives through inviting and challenging the industry to meet the demand.

When asked about the role of the newly-minted niche products committee, Monsour responds that the committee had originally been set up to be independent from the product development committee, an organizational issue which may have constrained its

ability to reach maximum effectiveness. "It should be the product development group," says Monsour. "The feeling is that it is better to say to everyone in product development that one of their priorities is, in fact, niche products. It is very important; experiential products are the way to go. That's what everyone is telling us."

There is a universal desire on the whole product development team, including the committee itself, to have a much closer liaison between development and marketing into the future. This will mean some changes in how product development does business, and expectations are high that the seven-year-old program will make substantial advances in fulfilling the mandate: influencing the quality and supply of tourism products in Canada. The top-of-mind priority is that the products will be in demand in Canada's tourism markets. 🍁

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A house in the trees!

by Marie-José Auclair

Everyone dreams of fine lodgings in the heart of the forest – a place to soak up all that peace and quiet. Ecolodges, in keeping with the philosophy and principles of ecotourism, are designed to bring people closer to nature.

Carefully integrated into its natural setting, an ecolodge is environmentally-friendly and helps safeguard biodiversity. With energy efficiency in mind, ecolodges are built out of environmentally benign materials. Energy consumption is minimal, and very little waste is produced. A good ecolodge design must also provide space for social interaction and make it easy for guests to commune with nature; tourists at an ecolodge have the opportunity to learn about nature through hands-on experience.

The increasing world-wide popularity of ecotourism has found its

way to the Gaspé Peninsula. In Bonaventure, tourists can stay in the ecolodges operated by Cime Aventure, one of the leading adventure tourism companies on the Gaspé Peninsula. This unique approach to accommodation in the wild will soon be extended to three deluxe mountain inns on the west side of the Chic-Choc Mountains. Guests at these comfortable ecolodges (rooms with full baths, dining room, massage facility, etc.) will have an unprecedented opportunity to bask in the beauty and tranquillity of nature.

Activities appealing to a broad range of visitors (e.g., hiking, cross-country skiing over long distances, telemark skiing, snowshoeing) will bring tourists into contact with the mountain landscapes of the central Gaspé. The impressive elevation of the mountains on the Gaspé Peninsula



Photo: Paul Laramée.

Ecolodges are environmentally-friendly and help safeguard biodiversity.

(Mount Jacques-Cartier rises 1,270 metres above sea level) has created a mosaic of habitats that are rich in biodiversity. This is one of the few places in the world where a hike of only a few kilometres will take you from hardwood forest to alpine tundra. On the 49th parallel, the same degree of latitude as Paris, France, it is surprising to find atop these mountains a climate that is essentially the same as what exists in the far northern reaches of Quebec.

The first ecolodge, in the Matane Wildlife Reserve near Gaspé National Park, will be ready for business in the winter of 2004. 🍁

Information: www.sepaq.com

Marie-José Auclair is co-author of the book *La Gaspésie, ses paysages, son histoire, ses gens, ses attraits*, Les Éditions de L'Homme, April 2003. mariejoseauclair@videotron.ca

Product Clubs

Popular program revitalized

One of the product development success stories for the Canadian Tourism Commission (CTC) has been the Product Clubs program. It was created in 1996 as a partnership between the CTC and the tourism industry in an effort to align new product clusters with emerging markets.

The clubs were product-based consortia of like-minded small and medium-sized enterprises needing funding assistance to identify opportunities, address constraints, and develop packages in response to market demand. The intent was that, by pooling their collective resources, these new consortia would become able to participate more effectively in CTC marketing programs.

Funding was provided on a matching basis, with each dollar contributed by the product club members and partners matched from the CTC's product development budget, according to an approved contract.

Clubs received funding for a maximum of three years, after which they were expected to become self-sustaining and market-ready.

The CTC funding was provided with some stipulations. The money was not to be used for marketing initiatives. Clubs were allowed – and encouraged – to pursue marketing activities on their own volition, but not within the scope of the program. Further, CTC funding was not to be used to establish industry associations or destination marketing organizations, nor was it for use on training, advocacy, or to the benefit of any single entity.

Jim Lee of the Canadian Golf Tourism Alliance speaks very highly of the program, noting, "it was very helpful and we are still very active three years after graduation. Initially the money we had available for marketing (from our members' own resources) was very small (\$35 000) but each year it has grown," says

Lee. "This year we have a budget of \$1.5 million."

Since its inception, the program has selected new product club applicants through requests for proposals from industry. Applications for CTC approval and funding of these new consortia were received annually and most proposals fell under one of two sectors, (outdoor adventure or cultural heritage).

The past seven years have seen the creation of 45 product clubs. Some of these clubs have graduated with great success (golf and ski for example) and some have remained more modest. The mandate of the Product Clubs program has been focused on enhancing the quality, diversity, and quantity of tourism products in Canada, and while this mandate will remain, the program is being restructured to generate fresh energy and diversity. "We have somewhat exhausted the natural concepts; like ski, golf and spas," says Tom Penney, the CTC's vice-president of Planning and Product Development. "We are getting into

more creative concepts to extend the boundaries of the program beyond its extended reach."

There will be a commitment to flexibility and more frequent contact with the industry throughout the year, and plans are in place to receive applications twice each year to encourage the creation of new clubs when they are most needed. "The new program will be more proactive, driven by market demand for new and future products," says Don Monsour, chair of the Product Development Committee. Traditionally there has been a reliance on industry proposals but that will change. The CTC will be more aggressive in the selection process.

"With seven of the twenty active product clubs set to graduate in 2003, the time is right to develop a new strategy," says Monsour. "We are looking to continue the level of excellence but we recognize the need to fine-tune our process." 🍁

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Trans Canada Trail

Manitoba

Population	1,147,900	Trans Canada Trail	900 km
Area	649,950 km ²		



At Inglis, formerly an important railway shipping point, the Trail goes past the vintage wooden structures of Grain Elevator Row National Historic Site.

Diversity in Kootenays

Support from the Canadian Tourism Commission (CTC) under its Product Clubs program and combined with provincial funding and commitments from local tourism operators, are making it possible to develop new tourism offerings and enhance existing tourism products under the unifying theme of *Exploring the Western Canadian Wilderness*.

"We will develop and enhance up to twelve tourism product lines over the next three years," says Gordon Burns, president of the Tourism Action Society in the Kootenays (TASK). He adds, "this is a great opportunity for people working in the tourism sector to enhance their business and develop higher-value, responsible tourism products and packages to attract modern-day explorers from across the country and

around the world."

This tourism development partnership is for front and back-country tourism businesses alike, stresses Burns, who says market research and an understanding of emerging trends within the tourism sector will shape the tourism products developed or enhanced through this private and public partnership.

The Western Canadian Wilderness Explorers tourism development partnership is coordinated by TASK. Tourism is the number two industry in B.C. and the Kootenay Region accounted for 9 percent of the province's tourism revenues. 🍁

Information: www.taskbc.bc.ca



The Research Viewpoint

Understanding the opportunity by Scott McLean

The report on the Mexican tourism market, and how it is developing, is covered in this issue (see story on page 11). This market is certainly a ray of light for Canadian tourism operators, and may be a golden opportunity for Canadian marketers including those selling niche products.

How we study a market such as Mexico is also a story in itself. The Mexican market has certainly demanded more research in the past year. One of the things we do in research is constantly monitor tourism markets around the world, through our ongoing Market Portfolio Analyses (MPAs) (as discussed in this column of November 2002). We measure which markets are developing, which ones are stable, and which ones are declining.

Recently we noticed Mexico has risen on our MPA listings from 16th place in 1996 to 5th place in 2001. Of all 22 markets we measure around the world, it was the single biggest shift we had ever witnessed. The Mexican market is developing!

So we decided to dive into the lake, so to speak. In 2002, we participated in the first in-depth research report to take a closer look at this market. We did both quantitative research, addressing consumers with in-home surveys of more than 1,000 households, and also qualitative research, talking to three dozen representatives from the travel trade including tour operators, travel agents and an airline representative. Both specification and segmentation research has been completed and is now being published.

This market is now studied in much the same way as developed markets such as Germany or Britain. The objective is to determine the potential to enhance the growth we've noticed from the Mexican market, and to identify target groups within this market. The data foundation is being built for new marketing approaches.

The report also points to some challenges for our marketers. One of the major hurdles to visiting Canada is that Mexicans know very little about it – some 59 percent said so! Another hurdle is that Canada suffers from a poorly defined and one-dimensional image of what Canada is like. Our profile is low, and often stereotypical.

It is a classic golden opportunity. If our marketers can rise to it, they have a chance to tell the story of the Canada brand to potential travellers in Mexico. They have a chance to imprint the brand on a new generation of travellers, and to sell niche products to them as they do to other markets around the world. All signs point to Mexico following a rapid development path, so the appetite there for niche products will soon be very large.

For Canadian businesses suffering in the current turbulence in the tourism industry, this is potentially great news. Beside the fact that meeting people from different locales is one of the reasons many work in tourism, it would be great to say "hola!" to a new source of revenue! 🍁

Improving product classification

One of the major weaknesses in the system of the national economic statistics is that many economic transactions, particularly for new industry products in services industry sectors like tourism, just do not get captured anywhere in the system. This happens because the way they are categorized and described by both producers and consumers does not match the current official industry and product classification systems.

Between 1994 and 1996 an intensive and largely successful program was undertaken to update and integrate the standard industrial classifications of the three member countries of the North American Free Trade Association (NAFTA). This program entitled the *North American Industry Classification System* (NAICS) primarily involved the central statistical agencies of Canada, the U.S. and Mexico. Other government agen-

cies and industry representatives provided input on particular sectors of the economy. The Canadian Tourism Commission (CTC), in consultation with the appropriate industry associations and with representatives of the provinces and territories, made strong and effective representation of behalf of the tourism sector, and was successful in obtaining a number of changes (24) that improved the representation and specification of tourism in the North American industry structure.

A few years later, in 1999, the CTC was invited again by Statistics Canada to make representations on behalf of the tourism community in Canada in respect of the proposed new North American Product Classification System being jointly established for North America by the NAFTA countries.

From the point of view of the

CTC, the overall objective of the NAPCS process is to produce a meaningful classification of tourism products (of both commodities and services) that will provide for improved, more detailed measurement of tourism consumption, leading to accurate input and comparability of items to the Tourism Satellite Accounts (TSAs) in each of the member countries of NAFTA as well as improved comparability of the TSAs and the system of national accounts among the three countries. Eventually, the goal is for more detailed data on tourism consumption in the system, which will lead to better quality tourism statistics both in Canada and all of North America. 🍁

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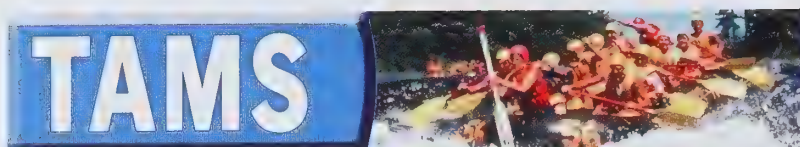
Research Conference

The 2003 Travel and Tourism Research Association (TTRA) Canada conference is being held October 5 – 7 in Saint John, N. B. The focus of the conference is *Developing New Markets for Traditional Destinations*, identifying areas of opportunity for both industry and academics.

Conference themes range from *Business Cases (in) New Markets to The Aging Boomers – New Products to Keep Them Coming*. There are still opportunities to make presentations.

The conference theme is well illustrated by a case study on the Saint John Port Authority. In 2002, the Authority hosted 40 cruise ship calls and their 74,050 passengers. Carnival Cruise Lines boasts that Saint John offers the best day excursions of all its port calls around the world. 🍁

Information: www.ttracanada.ca



Hard outdoor adventure

One niche product of great interest to many Canadian outfitters and destinations is the hard outdoor adventure product. U.S. and Canadian markets for hard outdoor adventure were one of a series of activity-based market segments identified in the Canadian Tourism Commission's new TAMS (Travel Activities and Motivation Survey) analysis.

In order to be classified as a Hard Outdoor Adventure Enthusiast, travellers must have taken a trip to experience adventure and excitement in the previous two years and must have participated in at least one high energy outdoor activity while on a trip (one of: mountain biking, rock climbing, white water rafting, scuba diving, dog sledding, ice climbing, hang gliding, bungee jumping, or heli-skiing.)

Some key findings from the Hard Outdoor Adventure reports:

- There are approximately 15.7 million hard outdoor adventure enthusiasts in the U.S. and 1.6 million in Canada.
- Among travellers with recent leisure travel experience in Canada, there were 1.3 million Canadians and 3.2 million Americans. Relative to other travel segments, a smaller proportion of American hard outdoor adventure enthusiasts have been to Canada than would be expected based on their market size so there is certainly room for growth.
- Their relative youth, affluence and gender (largely male) characterize the Canadian and American Hard Outdoor Enthusiast markets for Canada.
- Canadian hard outdoor enthusiasts are most likely to originate from Ontario, BC and Alberta and are underrepresented among Quebecers (relative to their population).
- The U.S., Mexico and the Caribbean and to a lesser extent, Europe, are all strong competitors for leisure trips among Americans and Canadians
- Outdoor activities with the greatest appeal to these tourists are those pursued during the warm weather months – mountain biking, hiking/backpacking, wildlife viewing, fishing, canoeing/kayaking, rock climbing, scuba diving and white water rafting. About half of Canadian and two-fifths of American hard adventurers are also skiers.
- Canadian hard outdoor enthusiasts have relatively narrow tourism interests relative to the comparatively wide-ranging interests of the corresponding American group. Fifty percent of American hard outdoor adventurers were also heritage enthusiasts and 45 percent were visual arts enthusiasts. Different packaging and marketing strategies may be required on each side of the border to reach these outdoor-oriented tourists, based on differences in interests and overlap with other activity segments.
- Canadian enthusiasts rated Canada significantly higher than the average Canadian. American hard outdoor adventurers however did not rate Canada as a destination for outdoor activities and as a place to experience adventure and excitement any higher than did the average American traveller. More effort may be required to bolster Canada's image on these types of attributes.
- Retention of the Hard Outdoor Adventure Enthusiast segment will become increasingly difficult as the Canadian population becomes more highly urbanized, and most particularly, older. Also, the American population is expected to grow at a faster rate in southern states so it will become increasingly important to reach farther-away market segments.

While the actual rate of growth of this segment is expected to be positive over the next twenty-five years, it is going to grow at a substantially slower rate than it would have if the population structure were to remain the same. The industry may have to provide outdoor products with varying levels of physical exertion so that nature-based tourism businesses can continue to attract the energetic younger markets but also attract older travellers who may retain their interest in the outdoors but will require gentler outdoor experiences. 🍁

Information: www.canadatourism.com

A MONTHLY GUIDE TO TRAVEL AND TOURISM DATA

TOURISM ACTIVITY	REFERENCE PERIOD	QUANTITY	% CHANGE FROM PREVIOUS YEAR
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TOURISTS TO CANADA

From the U.S. - Total	January-March 2003	2,131,197	-7.1
By Auto	January-March 2003	1,354,120	-8.7
By Non-auto	January-March 2003	777,077	-4.2
From Overseas - Total	January-March 2003	561,904	-1.2
United Kingdom	January-March 2003	125,097	-4.3
Japan	January-March 2003	58,741	8.7
France	January-March 2003	52,755	7.6
Germany	January-March 2003	32,543	0.6
Hong Kong	January-March 2003	18,784	-18.9
Australia	January-March 2003	29,943	13.7
Taiwan	January-March 2003	12,651	-21.7
Mexico	January-March 2003	20,388	-13.6
Korea (South)	January-March 2003	26,785	2.4

OUTBOUND CANADIAN TOURISTS

To the U.S.	January-March 2003	2,779,200	-1.0
By Auto	January-March 2003	1,369,300	-5.5
By Non-Auto	January-March 2003	1,409,900	3.7
To Overseas - Total	January-March 2003	1,692,569	16.1

EMPLOYMENT IN TOURISM

Total Activities	Fourth Quarter, 2002	579,600	0.5
Accommodation	Fourth Quarter, 2002	136,400	0.9
Food and Beverage	Fourth Quarter, 2002	140,200	1.9
Transportation	Fourth Quarter, 2002	78,700	-5.7

SELECTED ECONOMIC INDICATORS

Personal Disposable Income per person (\$)	Fourth Quarter, 2002	22,186	3.5
GDP at market prices (current, \$ billion)	Fourth Quarter, 2002	1,142.9	4.6
GDP chained (1997, \$ billion)	Fourth Quarter, 2002	1,062.1	3.4
CPI (1992=100)	March 2003	122.8	4.3

EXCHANGE RATES (IN CDN\$)

American dollar	April 2003	1.4585	-7.8
British pound	April 2003	2.2957	0.6
Japanese yen	April 2003	0.0122	0.8
EURO	April 2003	1.5841	13.1

Note: All tourist estimates deal with trips of one or more nights; all data on this table is not seasonally adjusted.

Sources: Statistics Canada and the Bank of Canada.

International travel down

International Travel Survey numbers recorded in March were the lowest recorded over the past five years. Total overnight travel to Canada in March 2003 dropped 17.3 percent when compared to March 2002.

For the year to date, international overnight travel to Canada was down 5.9 percent over the first quarter of 2002. War in Iraq, and the SARS outbreak, have deepened a decline that was already underway.

Tourist travel from Europe was down 12.8 percent in March 2003 over March 2002. Travel from the Asia-Pacific region also decreased in

March 2003, down by 7.8 percent when compared to the same period in 2002; only Japan recorded significant increases (9.3 percent) in March 2003 over March 2002.

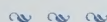
The trend of six consecutive months of positive monthly increases in overnight trip volumes from overseas regions was broken with March 2003 recording a 12.3 percent decrease over March 2002. All overseas regions recording decreases except Africa. 🍁

Information:
www.canadatourism.com



Tourism Roundup

The Peter and Catharine Whyte Foundation has been awarded a provincial centennial grant for \$500,000 to assist with the **Whyte Museum of the Canadian Rockies'** development of public programming spaces. The project involves a large-scale, integrated development that includes site-assessment, renovation, construction, and interpretive landscaping of the four-acre site and is slated to cost some \$5 million.



The **Canadian Academy of Travel & Tourism (CATT)**, in partnership with the Canadian Tourism Commission (CTC), has introduced an Awards Program to salute CATT educators "with a passion for demonstrating exemplary practices in teaching." CATT will seek out, highlight and celebrate the accomplishments of an educator who exhibits commendable teaching practices and learning in a national business education partnership model. Businesses or schools involved in a CATT partnership can submit a nomination for the award. The Educator's Award recipient will be profiled in the CATT newsletter and on the CTC's business industry website (www.canadatourism.com). The deadline for submitting nominations is September 15, 2003.

Information:
www.cthrc.ca/careerplan_catt.shtml

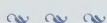


A group of more than 70 tourism industry CEOs, general managers, human resource directors, industry association leaders and tourism educators have been working for the past year and a half to address issues surrounding the B.C. tourism industry's challenge **to find and keep the people it needs to support its growth strategy**. With strong indications that the local tourism industry will exceed historical rates of business growth and revenue generation, this industry-financed and industry-driven action plan will help recruit, retain, train and develop its workforce.

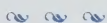
Edgar Degas (French, 1834-1917) - Little Dancer, Aged Fourteen - Conceived around 1878-1881, cast 1919-1937, Bronze, 98.0 x 35.2 x 24.5 cm. © 2003 Courtesy International Arts, Memphis



The Art Gallery of Ontario will be the sole Canadian venue for a major exhibition of sculptures by renowned 19th-century French artist Edgar Degas. Opening October 11, 2003 and on view until January 4, 2004, Degas Sculptures will feature bronzes of dancers, bathers and racehorses.

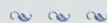


The **British Airways Tourism for Tomorrow Awards** program is looking for entries. The awards provide an excellent opportunity for those in the tourism industry with exemplary environmental and social performance to gain international recognition. For more information on the awards check out www.ba.com/tourism. The entry deadline is July 1, 2003.

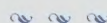


In the U.S., the National Business Travel Association (NBTA) and the Institute of Business Travel Management (IBTM) have released a study estimating **air fares and taxes paid by business travellers**. The study suggests that high taxes and fees might be placing a burden on business travellers and points to the need for future research regarding efficiency and

appropriateness of air travel fees and taxes. The base fares for business travellers excluding taxes have increased 10.4 percent since 1989, while fares for all other travellers have only increased 2.4 percent. Air travel taxes have increased 90 percent, jumping from 8 percent of the base fare in 1989 to 14 percent in 2002. Information: mvelikova@nbta.org



Peter Hardy of the *Telegraph* in London U.K. has rated **Fernie, B.C.**, as the best overall North American Ski Resort, and Nonstopski, also from London, as the most enterprising new business of 2003.

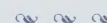


The UQAM Chair of Tourism has conducted a major new study on the economic impact of the **Route verte** on behalf of **Vélo Québec**. In 2000, the annual amount spent

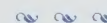
by cyclists travelling on the Route verte totaled \$95.4 million CAD. This represents 2,000 jobs (person years), revenues of \$15.1 million for the Government of Québec, and \$11.9 million (\$8.1 million USD) for the Government of Canada. The Route verte, which will eventually comprise 4,300 kilometres (2671 miles), is currently over 75 percent complete in 10 of the 16 regions through which it passes.



The **National Tour Association (NTA)** has eliminated the NTA Consumer Protection Plan program and lowered tour operator member dues by 43 percent to \$400USD effective Jan. 1, 2004. The decision to eliminate the Plan was based on the loss of more than \$725,000 in NTA funds in 2002 due to the program and the possibility of similar losses in the future.



Minister of Canadian Heritage Sheila Copps has announced the names of the five Cultural Capitals of Canada for 2003, as follows: Caraquet (New Brunswick), Red Deer (Alberta), Rivière-du-Loup (Quebec), Thunder Bay (Ontario) and Vancouver (British Columbia). Thirty cities across Canada qualified for these awards, which are being presented for the first time ever this year. The winning cities will receive a financial contribution in the form of matching funds to a maximum of \$500,000.



The Atlantic Canada Tourism Partnership (ACTP) has been renewed, with a value of \$19.95 million, to support "the implementation of research-driven consumer marketing campaigns" designed to attract more visitors to Atlantic Canada from key markets in the United States and overseas. Funding for the 2003-2006 ACTP is cost-shared among the partners, including a federal contribution of \$9.95 million, or 50 percent of program funding. 🍁



Howard Gurevich has joined Travel Manitoba as director, tourism marketing. Most recently he was senior vice-president of marketing for Rice Capital Management Plus Inc.

Susan Sturgess has been elected chair of the over-1000 member Ontario Accommodation Association. Sturgess owns and operates the nine-room Carriage Inn Motel in Peterborough.

Tourism Burlington in Ontario has appointed **Bernadette Beecroft** as marketing and sales manager. She had previously been with the Burlington Convention Centre and the Travelodge in that city.

Nathalie Normandeau has been appointed Minister for regional development and tourism in the new Quebec government. Normandeau's other ministerial duties include responsibility for the region of Gaspésie and Îles-de-la-Madeleine.

The Metropolitan Vancouver has appointed **Tom Waithe** general manager, taking over from former general manager Susan Gomez.

The CTC Product Development Committee has two new members: **Chenoa Paccagnan** (national sales director, tour and travel, for AFM Hospitality at Invermere, B.C.) and **Louis-Emmanuel Jamet** (manager of travel products at CAA-Quebec).

The Calgary Tower has recently appointed **Ian Thomson** to the position of executive chef. Thomson has held numerous senior positions throughout the world, spending the majority of his career in kitchens throughout Quebec, Ontario, Calgary, and most recently at sea.

Daniel Gagnon, director of communication and publicity at the office of tourism in Quebec, has been named Marketing Personality of 2003 by the Montréal Marketing Association. 🍁



Job today... career tomorrow

Tourism is the fastest growing industry on the planet, and with that growth comes increased demand for all levels of occupations within the industry. For many, a job in the tourism industry is their introduction to the work world. An increasing number of people are now realizing the potential for lifelong career opportunities the industry offers.

While many people indicate salary as a primary consideration when looking for a job, recent studies have shown that training opportunities outstrip salary as a priority for those already employed. By investing in the talent you already have, and thereby retaining them, you can decrease the time and money your HR people spend recruiting new employees. 🍁



Sandra White

Tourism Profile

To keep our readers informed about key decision-makers in Canada's tourism industry, *TOURISM* is introducing members of the Canadian tourism industry. Each profile highlights the personal vision of these industry leaders as they voice their opinions on important issues facing the tourism sector.



Sandra White is the national private sector Aboriginal representative on the Board and is a member of the ad hoc Strategic Futures Committee.

White is a member of the Siksika Nation and has specialized in many facets of Aboriginal tourism throughout Canada for over fifteen years. She is the past chair of Aboriginal Tourism Team Canada and is currently manager of FirstHost, a one day hospitality and customer service training workshop. Sandra White and Associates also provides consulting services; she has a Bachelor of Arts in Recreation Administration (Tourism) from the University of Alberta.

White feels that the most important priority for the Canadian Tourism Commission (CTC) in 2003 is to continue to provide timely research to the industry. Qualitative and quantitative information will help industry mitigate the impact of our current circumstances.

In the long term, she says learning vacations or learning enrichment travel is an emerging trend of significance. White says travellers want to learn more about people and their culture, and to experience the place they are visiting. "We need to respond to this emerging expectation," she says. "Aboriginal people in Canada, with our culture, traditions and connection to the land, are perfectly positioned to offer the experience this growing market is looking for." 🍁

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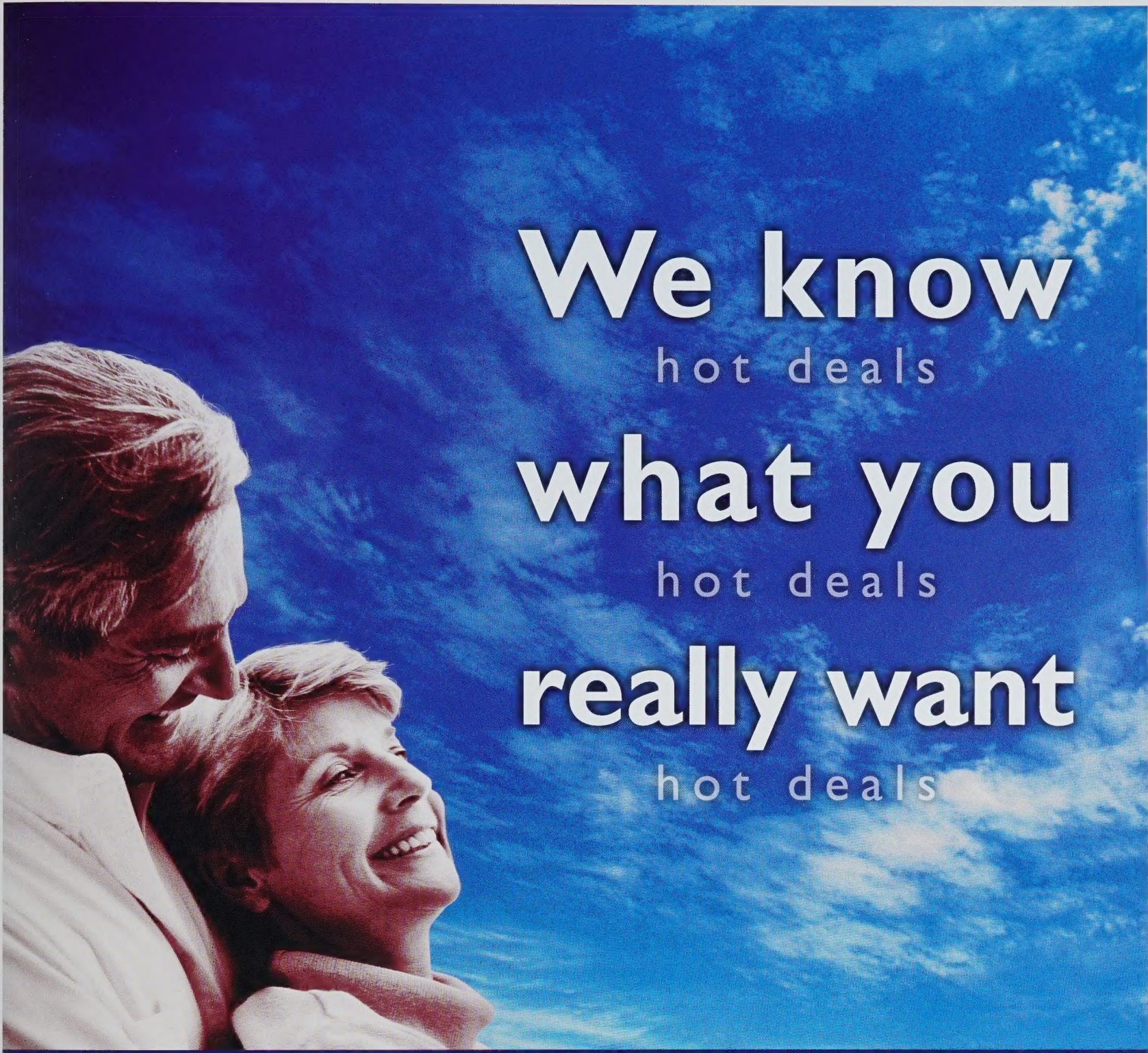
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